

Reconciliation of the U.S.-Canadian Current Account, 1994 and 1995

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THE RECONCILIATION of the U.S.-Canadian current account resulted in increases in the U.S. deficit, or the Canadian surplus, for both 1994 and 1995. Before reconciliation, the U.S.-published current-account balance with Canada showed a deficit of \$6.0 billion for 1994 and a deficit of \$8.4 billion for 1995. After reconciliation, the U.S. deficit increases to \$6.7 billion for 1994 and to \$10.4 billion for 1995 (chart 1, table 1). The corresponding Canadian-published balance showed a surplus of \$3.1 billion for 1994 and a surplus of \$6.5 billion for 1995; after reconciliation, the surplus increases to \$6.7 billion for 1994 and to \$10.5 billion for 1995.

This article presents the results of the reconciliation of the bilateral current-account estimates of Canada and the United States for 1994 and 1995.¹ The reconciliation is undertaken because of the extensive economic links between the two countries

and the need to explain differences in the published Canadian and U.S. estimates of the bilateral current account. In principle, the bilateral current account of one country should mirror the bilateral current account of the other country.

Differences occur in the bilateral U.S. and Canadian current accounts as published by the Bureau of Economic Analysis (BEA) and by Statistics Canada because of differences in the definitions, methodologies, and statistical sources used by each agency. In addition, some of the differences for 1995 are in components of the current account for which data are still preliminary and subject to revision; these differences may be eliminated when final data for these components become available. The reconciled estimates are intended to assist analysts who use both countries' statistics and to reflect how the current-account estimates would appear if both countries used common definitions, methodologies, and data sources.² (A few differences, mainly related to investment income

1. The reconciliation of the current account has been undertaken each year since 1970. Summary results of the reconciliations were published in the United States in the following issues of the SURVEY OF CURRENT BUSINESS: June 1975, September 1976 and 1977, December 1979, June 1981, and December 1981 through 1991. Complete details of the reconciliations for 1990 and later years were published in the November 1992 and the October 1993 through 1995 issues of the SURVEY. In Canada, the results were published in the following issues of *Canada's Balance of International Payments* (catalogue 67-001), a publication of Statistics Canada: Fourth Quarter 1973, Second Quarter 1976 and 1977, Third Quarter 1978 and 1979, First Quarter 1981, and Third Quarter 1981 through 1995.

2. A detailed article on the methodology used to reconcile the U.S.-Canadian current account was published by BEA in the November 1992 SURVEY and by Statistics Canada in *Reconciliation of the Canadian-United States Current Account, 1990-91*. Statistics Canada also published a shortened version in the December 1992 *Canadian Economic Observer* and in *Canada's Balance of International Payments, Third Quarter 1992*.

CHART 1

U.S.-Canadian Current-Account Balance¹

Billion U.S. \$

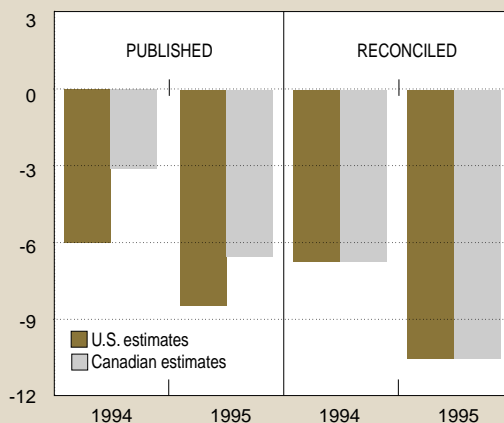


Table 1.—Major U.S.-Canadian Balances

[Billions of U.S. dollars]

	Published estimates		Reconciled estimates	
	United States	Canada	United States	Canada
1994				
Goods	-16.3	18.8	-20.1	20.1
Services	5.8	-6.6	4.9	-4.9
Investment income	4.9	-10.3	8.8	-8.8
Goods, services, and income	-5.6	2.0	-6.5	6.5
Unilateral transfers, net	-4	1.1	-3	.3
Current account	-6.0	3.1	-6.7	6.7
1995				
Goods	-20.5	24.1	-26.0	26.0
Services	5.5	-6.6	4.8	-4.7
Investment income	6.9	-12.1	11.1	-11.1
Goods, services, and income	-8.1	5.4	-10.2	10.2
Unilateral transfers, net	-4	1.1	-3	.3
Current account	-8.4	6.5	-10.4	10.5

NOTE.—A U.S. surplus (+) is a Canadian deficit (–), and a Canadian surplus (+) is a U.S. deficit (–).
Details may not add to totals because of rounding.

transactions, cannot be satisfactorily reconciled, because of differences in accounting conventions and survey methods in each country.)

The longstanding Canadian-U.S. current-account reconciliation is among the leading examples of the benefits that can be derived from international data sharing. The reconciliation process and the exchange of data have resulted in greater accuracy of the published estimates of transactions between Canada and the United States and in increased efficiency in producing the estimates. Exchange of data between Canada and the United States for transactions such as trade in goods, travel and passenger fares, Canadian and U.S. Government transactions, and some transportation transactions covers over 80 percent of the value of the Canadian and U.S. current account and has led to the elimination of some differences in Canadian and U.S. published estimates. Wider opportunities for international data sharing may result from the upcoming 1997 yearend coordinated benchmark survey of international portfolio investment to be undertaken by more than 30 countries, including Canada and the United States, under the auspices of the International Monetary Fund.

Although the U.S. and Canadian published estimates are reconciled and there is extensive exchange of data between Canada and the United States, differences in the published estimates remain. Complete substitution of reconciled estimates for published estimates and complete exchange of data are not feasible for several reasons. For trade in goods, imports in the U.S. accounts would be affected because the United States attributes Canadian reexports to the country of origin rather than to Canada, the last country of shipment. For direct investment data, protection of the confidentiality of source data bars the ex-


change of data. Finally, some requirements, such as valuation adjustments, for the integration of the international and national (domestic) accounts in each country differ.

The details of the current-account reconciliation for 1994 and 1995 are presented in the following tables. Tables 2.1 and 2.2 show the major types of reconciliation adjustments—definitional, methodological, and statistical—made to the major current-account components. Tables 3.1 and 3.2 present the published estimates, the reconciled estimates, and the amounts of adjustments for each major component. Tables 4–8 present the reconciliation details for each current-account component.³

Reconciled Current-Account Balances for 1994 and 1995

In the U.S. current account, the reconciliation adjustments resulted in an increase of \$0.7 billion in the deficit for 1994 and in an increase of \$2.0 billion in the deficit for 1995. The changes reflect larger adjustments to the U.S. southbound estimates (payments) than to the northbound estimates (receipts) (tables 2.1 and 2.2).⁴ The largest increases in the U.S. southbound estimates result from the addition of Canadian reexports to U.S. imports of goods (a definitional adjustment) and from increases in transportation and “other services” for undercoverage (statistical adjustments). The largest adjustment to the U.S. northbound estimates was an upward statistical adjustment to investment income, which was partly offset by a downward adjustment to transportation.

In the Canadian current account, the reconciliation adjustments resulted in an increase of \$3.6 billion in the surplus for 1994 and in an increase of \$4.0 billion in the surplus for 1995. The changes reflect larger increases to Canadian southbound estimates (receipts) than to Canadian northbound estimates (payments). The Canadian southbound estimates were adjusted to account for statistical differences, mostly in investment income, and for definitional differences in trade in goods. For Canadian northbound estimates, upward adjustments to investment income for statistical differences were partly offset by downward adjustments to services for definitional differences.

Tables 2.1–8.2 follow. 

The reconciliations were carried out under the direction of Lucie Laliberté, director of Statistics Canada's Balance of Payments Division, and Anthony DiLullo, assistant chief of BEA's Balance of Payments Division. At Statistics Canada, Hugh Henderson, Emmanuel Manolikakis, Robert Théberge, Denis Caron, and Linda Tassé participated in the reconciliation of the Canadian accounts. Denis Caron was responsible for the production and coordination of reconciliation tables. At BEA, Russell Scholl, assisted by Jane Newstedt, was responsible for reconciling the U.S. portfolio income accounts; Mark New, for the accounts related to U.S. direct investment in Canada; Gregory M. Fouch, for the accounts related to Canadian direct investment in the United States; and Kwok Lee, for trade in goods.

3. For reconciliation purposes, some of the details in the tables in this article differ from those in balance-of-payments tables regularly published by BEA and Statistics Canada.

4. In this article, the term “northbound” refers to U.S. receipts, or Canadian payments; the term “southbound” refers to U.S. payments, or Canadian receipts. All values are expressed in U.S. dollars.

Table 2.1.—Summary of Reconciliation Adjustments, Northbound

[Millions of U.S. dollars]

	Definitional		Methodological				Statistical		Total	
	United States	Canada	Reclassification		Gross or net		United States	Canada	United States	Canada
			United States	Canada	United States	Canada				
1994										
Goods		47	-4,417				708		-3,709	47
Services	-1,303	-572	4,417		-244		-1,420	32	1,450	-540
Transfers under U.S. military agency sales contracts								147		147
Travel							-64		-64	
Passenger fares							-179		-179	
Transportation	-1,303		4,628	190			-1,542	432	1,783	622
Inland freight			4,628				-1,758	531	2,870	531
Other	-1,303			190			216	-99	-1,087	91
Other services		-572	-211	-190	-244		365	-547	-90	-1,309
Affiliated		-324						-867		-1,191
Unaffiliated		-248	-369	-201	-244		365	259	-248	-190
Government			158	11				61	158	72
Investment income		-548			-293	667	4,013	1,061	3,720	1,180
Direct		-268		-101		-91	149	1,219	149	759
Other		-280		101	-293	758	3,864	-158	3,571	421
Unilateral transfers		-130			317		86		403	-130
Total adjustments	-1,303	-1,203			-220	667	3,387	1,093	1,864	557
1995										
Goods		-60	-4,809				277		-4,532	-60
Services	-1,332	-603	4,809		-255		-1,557	-90	1,665	-693
Transfers under U.S. military agency sales contracts								133		133
Travel							-59		-59	
Passenger fares							-185		-185	
Transportation	-1,332		5,018	184			-1,730	362	1,956	546
Inland freight			5,018				-1,898	472	3,120	472
Other	-1,332			184			168	-110	-1,164	74
Other services		-603	-209	-184	-255		417	-585	-47	-1,372
Affiliated		-342						-862		-1,204
Unaffiliated		-261	-209	-195	-255		255	226	-209	-230
Government				11			162	51	162	62
Investment income		-404			-390	1,132	3,697	1,390	3,307	2,118
Direct		-146		-66		-91	-428	1,537	-428	1,234
Other		-258		66	-390	1,223	4,125	-147	3,735	884
Unilateral transfers		-139			328		99		427	-139
Total adjustments	-1,332	-1,206			-317	1,132	2,516	1,300	867	1,226

Table 2.2.—Summary of Reconciliation Adjustments, Southbound

[Millions of U.S. dollars]

	Definitional		Methodological				Statistical		Total	
	Canada	United States	Reclassification		Gross or net		Canada	United States	Canada	United States
			Canada	United States	Canada	United States				
1994										
Goods	2,267	2,701	-877	-2,573	.....	.....	-33	.....	1,357	127
Services	-568	-2,462	877	2,571	.....	-244	823	2,510	1,132	2,375
Direct defense expenditures .....	.....	.....	46	-35	.....	.....	-24	.....	22	-35
Travel .....	.....	.....	.....	.....	.....	.....	.....	-6	.....	-6
Passenger fares .....	.....	.....	.....	.....	.....	.....	.....	-9	.....	-9
Transportation	-106	-2,462	1,007	2,606	.....	.....	494	1,574	1,395	1,717
Inland freight .....	.....	.....	877	2,606	.....	.....	416	1,420	1,293	4,026
Other	-106	-2,462	130	.....	.....	.....	78	154	102	-2,309
Other services	-462	.....	-176	.....	.....	-244	353	951	-285	707
Affiliated	-24	.....	.....	.....	.....	.....	-317	.....	-341	.....
Unaffiliated	-438	.....	-130	.....	.....	-244	657	882	89	638
Government .....	.....	.....	-46	.....	.....	.....	13	69	-33	69
Investment income	-254	.....	.....	.....	667	-294	2,254	114	2,667	-180
Direct	-138	.....	.....	.....	-91	.....	725	48	496	48
Other	-116	.....	.....	.....	758	-294	1,529	66	2,171	-228
Unilateral transfers	-926	.....	.....	.....	.....	318	-19	.....	-945	318
Total adjustments	519	239	.....	.....	667	-220	3,025	2,624	4,211	2,639
1995										
Goods	2,815	3,709	-975	-2,707	.....	.....	55	.....	1,895	1,002
Services	-615	-2,643	975	2,707	.....	-255	870	2,620	1,230	2,429
Direct defense expenditures .....	.....	.....	35	-21	.....	.....	-2	.....	33	-21
Travel .....	.....	.....	.....	.....	.....	.....	.....	-36	.....	-36
Passenger fares .....	.....	.....	.....	.....	.....	.....	.....	-3	.....	-3
Transportation	-115	-2,643	1,114	2,728	.....	.....	546	1,742	1,545	1,827
Inland freight .....	.....	.....	975	2,728	.....	.....	537	1,612	1,512	4,340
Other	-115	-2,643	139	.....	.....	.....	9	130	33	-2,513
Other services	-500	.....	-174	.....	.....	-255	326	917	-348	662
Affiliated	-27	.....	.....	.....	.....	.....	-218	.....	-245	.....
Unaffiliated	-473	.....	-139	.....	.....	-255	523	852	-89	597
Government .....	.....	.....	-35	.....	.....	.....	21	65	-14	65
Investment income	-279	.....	.....	.....	1,132	-390	2,222	-498	3,075	-888
Direct	-172	.....	.....	.....	-91	.....	960	-653	697	-653
Other	-107	.....	.....	.....	1,223	-390	1,262	155	2,378	-235
Unilateral transfers	-911	.....	.....	.....	.....	329	-33	.....	-944	329
Total adjustments	1,010	1,066	.....	.....	1,132	-316	3,114	2,122	5,256	2,872

Table 3.1.—U.S.-Canadian Current-Account Reconciliation, Northbound

[Millions of U.S. dollars]

	Published estimates			Reconciled estimates			Adjustments to published estimates	
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Remaining difference	United States	Canada
1994								
Northbound goods, services, and income	145,285	146,016	-730	146,747	146,703	44	1,461	687
Goods	114,830	111,074	3,756	111,121	111,121	.....	-3,709	47
Services	17,552	19,524	-1,971	19,003	18,984	19	1,450	-540
Transfers under U.S. military agency sales contracts	147	(¹)	147	147	147	.....	.....	147
Travel	6,252	6,188	64	6,188	6,188	.....	-64	.....
Passenger fares	1,186	1,007	179	1,007	1,007	.....	-179	.....
Inland freight	(²)	2,339	-2,339	2,870	2,870	.....	2,870	531
Other transportation	2,379	1,177	1,202	1,292	1,268	24	-1,087	91
Royalties and license fees	1,181	1,226	-45	(³)	(³)	.....	-1,181	-1,226
Other services	6,408	7,587	-1,179	7,499	7,504	-5	1,091	-83
Investment income	12,903	15,418	-2,515	16,623	16,598	25	3,720	1,180
Direct investment	5,550	4,940	610	5,699	5,699	.....	149	759
Other private assets/liabilities	7,348	10,478	-3,130	10,924	10,899	25	3,576	421
U.S. Government assets	5	(⁴)	5	(⁴)	(⁴)	.....	-5	.....
Unilateral transfers, net .....	.....	.....	.....	.....	.....	.....	.....	.....
Unilateral transfers, gross .....	.....	533	-533	403	403	.....	403	-130
Current account, northbound	145,285	146,549	-1,263	147,150	147,106	44	1,864	557
1995								
Northbound goods, services, and income	162,622	161,666	956	163,062	163,031	31	440	1,365
Goods	127,585	123,113	4,472	123,053	123,053	.....	-4,532	-60
Services	18,130	20,471	-2,341	19,795	19,778	17	1,665	-693
Transfers under U.S. military agency sales contracts	133	(¹)	133	133	133	.....	.....	133
Travel	6,207	6,148	59	6,148	6,148	.....	-59	.....
Passenger fares	1,284	1,099	185	1,099	1,099	.....	-185	.....
Inland freight	(²)	2,648	-2,648	3,120	3,120	.....	3,120	472
Other transportation	2,507	1,246	1,261	1,343	1,320	23	-1,164	74
Royalties and license fees	1,235	1,291	-56	(³)	(³)	.....	-1,235	-1,291
Other services	6,764	8,039	-1,275	7,952	7,958	-6	1,188	-81
Investment income	16,907	18,082	-1,175	20,214	20,200	14	3,307	2,118
Direct investment	8,386	6,724	1,662	7,958	7,958	.....	-428	1,234
Other private assets/liabilities	8,521	11,358	-2,837	12,256	12,242	14	3,735	884
U.S. Government assets .....	.....	(⁴)	.....	(⁴)	(⁴)	.....	.....	.....
Unilateral transfers, net .....	.....	.....	.....	.....	.....	.....	.....	.....
Unilateral transfers, gross .....	.....	566	-566	427	427	.....	427	-139
Current account, northbound	162,622	162,232	390	163,489	163,458	31	867	1,226

1. In the Canadian published accounts, transactions of U.S. military agencies are not shown separately.

2. In the U.S. published accounts, inland freight is included in goods.

3. Royalties and license fees are included in other services for reconciliation.

4. Income on U.S. Government assets is included in income on other private assets in the Canadian published accounts.

Table 3.2.—U.S.-Canadian Current-Account Reconciliation, Southbound

[Millions of U.S. dollars]

	Published estimates			Reconciled estimates			Adjustments to published estimates	
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Remaining difference	Canada	United States
1994								
Southbound goods, services, and income	148,007	150,895	-2,887	153,164	153,216	-52	5,156	2,321
Goods	129,889	131,119	-1,230	131,246	131,246	.....	1,357	127
Services	12,963	11,758	1,205	14,095	14,132	-37	1,132	2,374
Direct defense expenditures	(¹)	57	-57	22	22	.....	22	-35
Travel	3,908	3,914	-6	3,908	3,908	.....	.....	-6
Passenger fares	293	302	-9	293	293	.....	.....	-9
Inland freight	2,733	(²)	2,733	4,026	4,026	.....	1,293	4,026
Other transportation	913	3,320	-2,407	1,015	1,011	4	102	-2,309
Royalties and license fees	145	76	69	(³)	(³)	.....	-145	-76
Other services	4,971	4,089	882	4,831	4,872	-41	-140	783
Investment income	5,156	8,018	-2,862	7,823	7,838	-15	2,667	-180
Direct investment	2,257	2,705	-448	2,753	2,753	.....	496	48
Other private assets/liabilities	2,080	3,346	-1,266	3,103	3,118	-15	1,023	-228
U.S. Government liabilities	819	1,967	-1,148	1,967	1,967	.....	1,148	.....
Unilateral transfers, net .....	.....	360	-360	.....	.....	.....	.....	-360
Unilateral transfers, gross	1,623	.....	1,623	678	678	.....	-945	678
Current account, southbound	149,631	151,255	-1,624	153,842	153,894	-52	4,211	2,639
1995								
Southbound goods, services, and income	167,044	170,700	-3,655	173,244	173,243	2	6,200	2,543
Goods	147,194	148,087	-893	149,089	149,089	.....	1,895	1,002
Services	13,829	12,605	1,224	15,059	15,034	25	1,230	2,429
Direct defense expenditures	(¹)	54	-54	33	33	.....	33	-21
Travel	4,283	4,319	-36	4,283	4,283	.....	.....	-36
Passenger fares	303	306	-3	303	303	.....	.....	-3
Inland freight	2,828	(²)	2,828	4,340	4,340	.....	1,512	4,340
Other transportation	1,033	3,576	-2,543	1,066	1,063	3	33	-2,513
Royalties and license fees	157	138	19	(³)	(³)	.....	-157	-138
Other services	5,225	4,212	1,013	5,034	5,012	22	-191	800
Investment income	6,022	10,008	-3,986	9,097	9,120	-23	3,075	-888
Direct investment	2,163	3,513	-1,350	2,860	2,860	.....	697	-653
Other private assets/liabilities	2,760	4,097	-1,337	3,839	3,862	-23	1,079	-235
U.S. Government liabilities	1,099	2,398	-1,299	2,398	2,398	.....	1,299	.....
Unilateral transfers, net .....	.....	365	-365	.....	.....	.....	.....	-365
Unilateral transfers, gross	1,638	.....	1,638	694	694	.....	-944	694
Current account, southbound	168,683	171,065	-2,382	173,939	173,937	2	5,256	2,872

1. In the Canadian published accounts, transactions with U.S. military agencies are included in the goods and in the "other" services accounts.

2. In the U.S. published accounts, inland freight is included in goods.

3. Royalties and license fees are included in other services for reconciliation.

Table 4.1.—Trade in Goods, Northbound

[Millions of U.S. dollars]

	U.S. receipts	Canadian payments	Type of adjustment
1994			
Balance of payments basis, published	114,830	111,074	
Reconciliation adjustments:			
Inland freight	-4,628	.....	Reclassification
Repair of equipment	211	.....	Reclassification
Other balance of payments adjustments	-6	47	Definitional
Statistical adjustments	714	.....	Statistical
Reconciled	111,121	111,121	
1995			
Balance of payments basis, published	127,585	123,113	
Reconciliation adjustments:			
Inland freight	-5,018	.....	Reclassification
Repair of equipment	209	.....	Reclassification
Other balance of payments adjustments	7	-60	Definitional
Statistical adjustments	270	.....	Statistical
Reconciled	123,053	123,053	

Table 4.2.—Trade in Goods, Southbound

[Millions of U.S. dollars]

	Canadian receipts	U.S. payments	Type of adjustment
1994			
Balance of payments basis, published	129,889	131,119	
Reconciliation adjustments:			
Canadian reexports .....	.....	2,840	Definitional
Inland freight	-877	-2,606	Reclassification
Other balance of payments adjustments	2,267	-107	Definitional
Statistical adjustments	-32	.....	Statistical
Reconciled	131,246	131,246	
1995			
Balance of payments basis, published	147,194	148,087	
Reconciliation adjustments:			
Canadian reexports .....	.....	3,740	Definitional
Inland freight	-967	-2,728	Reclassification
Other balance of payments adjustments	2,807	-10	Definitional
Statistical adjustments	55	.....	Statistical
Reconciled	149,089	149,089	

Table 5.1.—Transportation, Northbound

[Millions of U.S. dollars]

	Published estimates			Reconciled estimates			Adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Remaining difference	United States	Canada	Type of adjustment
1994									
Total	2,379	3,516	-1,138	4,162	4,138	24	1,783	622	
Freight	1,735	843	892	739	739	.....	-996	-104	
Ocean	26	169	-143	120	120	.....	94	-49	Statistical
Air	48	86	-38	69	69	.....	21	-17	Statistical
Other	1,661	588	1,073	550	550	.....	-1,111	-38	Definitional and statistical
Port services	534	309	225	339	315	24	-195	6	
Vessel operators	116	35	81	58	34	24	-58	.....	Statistical
Airline operators	273	255	18	273	273	.....	.....	18	Reclassification and statistical
Other	145	19	126	8	8	.....	-137	-11	Reclassification and statistical
Other	110	26	84	214	214	.....	104	188	Reclassification and statistical
Inland freight .....	.....	2,339	-2,339	2,870	2,870	.....	2,870	531	Reclassification and statistical
1995									
Total	2,507	3,894	-1,386	4,463	4,440	23	1,956	546	
Freight	1,803	892	911	770	774	-4	-1,033	-118	
Ocean	59	190	-131	126	126	.....	67	-64	Statistical
Air	52	91	-39	74	74	.....	22	-17	Statistical
Other	1,692	611	1,081	570	574	-4	-1,122	-37	Definitional and statistical
Port services	555	325	230	359	332	27	-196	7	
Vessel operators	114	39	75	57	30	27	-57	-9	Statistical
Airline operators	292	267	25	292	292	.....	.....	25	Reclassification and statistical
Other	149	19	130	10	10	.....	-139	-9	Reclassification and statistical
Other	149	28	121	214	214	.....	65	186	Reclassification and statistical
Inland freight .....	.....	2,648	-2,648	3,120	3,120	.....	3,120	472	Reclassification and statistical

Table 5.2.—Transportation, Southbound

[Millions of U.S. dollars]

	Published estimates			Reconciled estimates			Adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Remaining difference	Canada	United States	Type of adjustment
1994									
Total	3,646	3,320	326	5,041	5,037	4	1,395	1,717	
Freight	556	2,716	-2,160	555	555	.....	-1	-2,161	
Ocean	160	97	63	130	130	.....	-30	33	Statistical
Air	65	54	11	69	69	.....	4	15	Statistical
Other	331	2,565	-2,234	356	356	.....	25	-2,209	Definitional and statistical
Port services	241	456	-215	312	308	4	71	-148	
Vessel operators	4	141	-137	70	70	.....	66	-71	Statistical
Airline operators	187	238	-51	181	181	.....	-6	-57	Reclassification and statistical
Other	50	77	-27	61	57	4	11	-20	Reclassification and statistical
Other	116	148	-32	148	148	.....	32	.....	Definitional, reclassification, and statistical
Inland freight	2,733	.....	2,733	4,026	4,026	.....	1,293	4,026	Reclassification and statistical
1995									
Total	3,861	3,576	286	5,406	5,403	3	1,545	1,827	
Freight	640	2,885	-2,245	568	568	.....	-72	-2,317	
Ocean	199	83	116	110	110	.....	-89	27	Statistical
Air	66	55	11	72	72	.....	6	17	Statistical
Other	375	2,747	-2,372	386	386	.....	11	-2,361	Definitional and statistical
Port services	267	541	-274	352	349	3	85	-192	
Vessel operators	5	192	-187	95	95	.....	90	-97	Statistical
Airline operators	205	272	-67	196	196	.....	-9	-76	Reclassification and statistical
Other	57	77	-20	61	58	3	4	-19	Reclassification and statistical
Other	126	149	-23	146	146	.....	20	-3	Definitional, reclassification, and statistical
Inland freight	2,828	.....	2,828	4,340	4,340	.....	1,512	4,340	Reclassification and statistical

Table 6.1.—Other Services, Northbound

[Millions of U.S. dollars]

	Published estimates			Reconciled estimates			Adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Remaining difference	United States	Canada	Type of adjustment
1994									
Total	7,589	8,813	-1,227	7,499	7,504	-5	-90	-1,309	
Private:									
Affiliated	4,087	5,278	-1,192	4,087	4,087	.....	.....	-1,191	Definitional and statistical
Royalties and license fees	1,026	1,044	-18	(¹)	(¹)	(¹)	(¹)	(¹)	
Other services	3,061	4,235	-1,174	(¹)	(¹)	(¹)	(¹)	(¹)	
Unaffiliated	3,251	3,195	56	3,004	3,004	.....	-247	-191	
Royalties, license fees, and selected services	474	414	60	425	425	.....	-49	11	Statistical
Insurance	382	258	124	382	382	.....	.....	124	Gross to net and statistical
Financial services	378	362	16	370	370	.....	-8	8	Statistical
Education	401	373	28	401	401	.....	.....	28	Statistical
Communications	244	.....	244	.....	.....	.....	-244	.....	Gross to net
Business services	999	771	228	831	831	.....	-168	60	Reclassification and statistical
Sports and entertainment	211	460	-249	440	440	.....	229	-20	Statistical
Commuters' wages	58	56	2	56	56	.....	-2	.....	Statistical
Trade union transactions	104	99	5	99	99	.....	-5	.....	Statistical
Other .....	.....	402	-402	.....	.....	.....	.....	-402	
Commissions .....	.....	201	-201	.....	.....	.....	.....	-201	Definitional
Railway port services .....	.....	165	-165	.....	.....	.....	.....	-165	Reclassification
Aircraft leasing .....	.....	36	-36	.....	.....	.....	.....	-36	Reclassification
Government:									
United States	43	28	15	43	48	-5	.....	20	Statistical
Canada	207	313	-106	365	365	.....	158	52	Statistical
1995									
Total	7,999	9,330	-1,332	7,952	7,958	-6	-47	-1,372	
Private:									
Affiliated	4,355	5,559	-1,204	4,355	4,355	.....	.....	-1,204	Definitional and statistical
Royalties and license fees	1,094	1,099	-5	(¹)	(¹)	(¹)	(¹)	(¹)	
Other services	3,261	4,460	-1,199	(¹)	(¹)	(¹)	(¹)	(¹)	
Unaffiliated	3,388	3,412	-24	3,180	3,180	.....	-208	-232	
Royalties, license fees, and selected services	443	436	7	416	416	.....	-27	-20	Statistical
Insurance	450	266	184	450	450	.....	.....	184	Gross to net and statistical
Financial services	441	431	10	437	437	.....	-4	6	Statistical
Education	420	412	8	420	420	.....	.....	8	Statistical
Communications	255	.....	255	.....	.....	.....	-255	.....	Gross to net
Business services	1,005	812	194	830	830	.....	-176	18	Reclassification and statistical
Sports and entertainment	218	486	-268	465	465	.....	247	-21	Statistical
Commuters' wages	56	58	-2	58	58	.....	2	.....	Statistical
Trade union transactions	99	104	-5	104	104	.....	5	.....	Statistical
Other .....	.....	407	-385	.....	.....	.....	.....	-407	
Commissions .....	.....	212	-212	.....	.....	.....	.....	-212	Definitional
Railway port services .....	.....	173	-173	.....	.....	.....	.....	-173	Reclassification
Aircraft leasing .....	.....	22	.....	-22	.....	.....	.....	-22	Reclassification
Government:									
United States	48	46	2	48	53	-5	.....	7	Statistical
Canada	208	315	-107	370	370	.....	162	55	Statistical

1. Royalties and license fees are combined with other services for reconciliation.

Table 6.2.—Other Services, Southbound

[Millions of U.S. dollars]

	Published estimates			Reconciled estimates			Adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Remaining difference	Canada	United States	Type of adjustment
1994									
Total	5,116	4,165	951	4,831	4,872	-41	-285	707	
Private:									
Affiliated	2,200	1,859	341	1,859	1,859	.....	-341	.....	Definitional and statistical
Royalties and license fees	112	43	69	(1)	(1)	.....	(1)	(1)	
Other services	2,088	1,816	272	(1)	(1)	.....	(1)	(1)	
Unaffiliated	2,676	2,128	548	2,723	2,764	-41	47	636	
Royalties, license fees, and selected services	360	174	186	357	357	.....	-3	183	Statistical
Insurance	85	698	-613	608	608	.....	523	-90	Gross to net and statistical
Financial services	353	125	228	239	239	.....	-114	114	Statistical
Education	60	30	30	60	60	.....	.....	30	Statistical
Communications	105	390	-285	105	146	-41	.....	-244	Gross to net
Business services	586	377	209	837	837	.....	251	460	Reclassification and statistical
Sports and entertainment	259	67	192	259	259	.....	.....	192	Statistical
Commuters' wages	145	145	.....	145	145	.....	.....	.....
Trade union transactions	113	122	-9	113	113	.....	.....	-9	
Other	610	.....	610	.....	.....	.....	-610	.....
Commissions	402	.....	402	.....	.....	.....	-402	.....	Definitional
Railway port services	95	.....	95	.....	.....	.....	-95	.....	Reclassification
Aircraft leasing	35	.....	35	.....	.....	.....	-35	.....	Reclassification
U.S. defense expenditures	46	.....	46	.....	.....	.....	-46	.....	Reclassification
Refining fees	32	.....	32	.....	.....	.....	-32	.....	Definitional
Government:									
Canada	69	.....	69	69	69	.....	.....	69	Statistical
United States	169	180	-11	180	180	.....	11	.....	Statistical
1995									
Total	5,382	4,349	1,033	5,034	5,012	22	-348	662	
Private:									
Affiliated	2,378	2,132	246	2,132	2,132	.....	-246	.....	Definitional and statistical
Royalties and license fees	122	109	13	(1)	(1)	.....	(1)	(1)	
Other services	2,256	2,023	233	(1)	(1)	.....	(1)	(1)	
Unaffiliated	2,789	2,044	745	2,664	2,642	22	-125	598	
Royalties, license fees, and selected services	389	204	185	385	385	.....	-4	181	Statistical
Insurance	101	565	-464	505	505	.....	404	-60	Gross to net and statistical
Financial services	297	164	133	233	233	.....	-64	69	Statistical
Education	61	29	32	61	61	.....	32	.....	Statistical
Communications	113	346	-233	113	91	22	.....	-255	Gross to net
Business services	633	365	268	817	817	.....	184	452	Reclassification and statistical
Sports and entertainment	280	92	188	280	280	.....	.....	188	Statistical
Commuters' wages	152	152	.....	152	152	.....	.....	.....
Trade union transactions	118	127	-9	118	118	.....	.....	-9	
Other	645	.....	645	.....	.....	.....	-645	.....
Commissions	435	.....	435	.....	.....	.....	-435	.....	Definitional
Railway port services	103	.....	103	.....	.....	.....	-103	.....	Reclassification
Aircraft leasing	37	.....	37	.....	.....	.....	-37	.....	Reclassification
U.S. defense expenditures	35	.....	35	.....	.....	.....	-35	.....	Reclassification
Refining fees	35	.....	35	.....	.....	.....	-35	.....	Definitional
Government:									
Canada	65	.....	65	65	65	.....	.....	65	Statistical
United States	150	173	-23	173	173	.....	23	.....	Statistical

1. Royalties and license fees are combined with other services for reconciliation.

Table 7.1.—Direct Investment Income, Northbound

[Millions of U.S. dollars]

	Published estimates			Reconciled estimates			Adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Remaining difference	United States	Canada	Type of adjustment
1994									
Direct investment income	5,550	4,940	610	5,699	5,699	.....	149	759	
Earnings of incorporated affiliates	4,818	3,996	822	4,816	4,816	.....	-2	820	
Dividends	1,386	2,155	-769	1,795	1,795	.....	409	-360	Definitional, reclassification, and statistical
Reinvested earnings	3,432	1,841	1,591	3,021	3,021	.....	-411	1,180	Statistical
Earnings of unincorporated affiliates	403	261	142	404	404	.....	1	143	Definitional, reclassification, and statistical
Net interest	329	682	-353	479	479	.....	150	-203	Reclassification, net to gross, and statistical
1995									
Direct investment income	8,386	6,724	1,662	7,958	7,958	.....	-428	1,234	
Earnings of incorporated affiliates	7,666	5,811	1,855	7,200	7,200	.....	-466	1,389	
Dividends	1,489	2,002	-513	1,751	1,751	.....	262	-251	Definitional, reclassification, and statistical
Reinvested earnings	6,177	3,809	2,368	5,449	5,449	.....	-728	1,640	Statistical
Earnings of unincorporated affiliates	417	259	158	417	417	.....	.....	158	Definitional, reclassification, and statistical
Net interest	303	655	-352	341	341	.....	38	-314	Reclassification, net to gross, and statistical

Table 7.2.—Direct Investment Income, Southbound

[Millions of U.S. dollars]

	Published estimates			Reconciled estimates			Adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Remaining difference	Canada	United States	Type of adjustment
1994									
Direct investment income	2,257	2,705	-448	2,753	2,753	.....	496	48	
Earnings of incorporated affiliates	1,175	2,151	-976	2,152	2,152	.....	977	1	
Dividends	310	193	117	193	193	.....	-117	.....	Statistical
Reinvested earnings	865	1,958	-1,093	1,959	1,959	.....	1,094	1	Statistical
Earnings of unincorporated affiliates	893	241	652	288	288	.....	-605	47	Definitional and statistical
Net interest	189	313	-124	313	313	.....	124	.....	Gross to net and statistical
1995									
Direct investment income	2,163	3,513	-1,350	2,860	2,860	.....	697	-653	
Earnings of incorporated affiliates	1,044	2,733	-1,689	2,033	2,033	.....	989	-700	
Dividends	509	375	134	377	377	.....	-132	2	Statistical
Reinvested earnings	535	2,358	-1,823	1,656	1,656	.....	1,121	-702	Statistical
Earnings of unincorporated affiliates	889	427	462	474	474	.....	-415	47	Definitional and statistical
Net interest	229	353	-124	353	353	.....	124	.....	Gross to net and statistical

Table 8.1.—Other Investment Income, Northbound

[Millions of U.S. dollars]

	Published estimates			Reconciled estimates			Adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Remaining difference	United States	Canada	Type of adjustment
1994									
Other investment income	7,353	10,478	-3,125	10,924	10,899	25	3,571	421	
Securities	5,247	8,422	-3,175	8,428	8,428	.....	3,181	6	Definitional, reclassification, and statistical
Dividends	533	657	-124	666	666	.....	133	9	
Interest on bonds	4,714	7,765	-3,051	7,762	7,762	.....	3,048	-3	Definitional and statistical
U.S. claims/Canadian liabilities	2,106	2,056	50	2,496	2,471	25	390	415	
U.S. bank claims	1,645	201	1,444	825	800	25	-820	599	Net to gross, gross to net and statistical
Other private U.S. claims	456	1,855	-1,399	1,671	1,671	.....	1,215	-184	Net to gross and statistical
U.S. Government claims	5	.....	5	.....	.....	.....	-5	.....	Reclassification
1995									
Other investment income	8,521	11,358	-2,837	12,256	12,242	14	3,735	884	
Securities	5,495	9,050	-3,555	9,023	9,023	.....	3,528	-27	Definitional, reclassification, and statistical
Dividends	574	685	-111	660	660	.....	86	-25	
Interest on bonds	4,921	8,365	-3,444	8,363	8,363	.....	3,442	-2	Definitional and statistical
U.S. claims/Canadian liabilities	3,026	2,308	718	3,233	3,219	14	207	911	
U.S. bank claims	2,257	-25	2,282	1,081	1,067	14	-1,176	1,092	Net to gross, gross to net and statistical
Other private U.S. claims	769	2,333	-1,564	2,152	2,152	.....	1,383	-181	Net to gross and statistical
U.S. Government claims .....	.....	.....	.....	.....	.....	.....	.....	.....	Reclassification

Table 8.2.—Other Investment Income, Southbound

[Millions of U.S. dollars]

	Published estimates			Reconciled estimates			Adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Remaining difference	Canada	United States	Type of adjustment
1994									
Other investment income	2,899	5,313	-2,413	5,070	5,085	-15	2,170	-228	
Securities	1,825	2,503	-678	2,318	2,318	.....	493	-185	Definitional and statistical
Dividends	1,310	1,525	-215	1,525	1,525	.....	215	.....
Interest on bonds	515	978	-463	793	793	.....	278	-185	Definitional and statistical
Canadian claims/U.S. liabilities	256	843	-587	785	800	-15	529	-43	
Canadian bank claims	194	702	-508	738	753	-15	544	51	Net to gross, gross to net, and statistical
Other Canadian claims	62	141	-79	47	47	.....	-15	-94	Net to gross and statistical
U.S. Government liabilities	819	1,967	-1,148	1,967	1,967	.....	1,148	.....	Statistical
1995									
Other investment income	3,859	6,495	-2,635	6,237	6,260	-23	2,377	-235	
Securities	2,038	2,675	-637	2,511	2,511	.....	473	-164	Definitional and statistical
Dividends	1,360	1,588	-228	1,588	1,588	.....	228	.....
Interest on bonds	678	1,087	-409	923	923	.....	245	-164	Definitional and statistical
Canadian claims/U.S. liabilities	723	1,422	-699	1,328	1,351	-23	605	-71	
Canadian bank claims	646	1,132	-486	1,263	1,286	-23	617	154	Net to gross, gross to net, and statistical
Other Canadian claims	77	290	-213	65	65	.....	-12	-225	Net to gross and statistical
U.S. Government liabilities	1,099	2,398	-1,299	2,398	2,398	.....	1,299	.....	Statistical